

1. The meeting was called to order at 6:06 pm.

Motion made by Mayor Moser to forgo items 2-4 as they have already been covered in the work meeting. Kevin Sair seconded the motion. Vote: Mayor Moser-yes, Kevin Sair-yes, Jack Davis-yes, Harold Merritt-yes. The motion passed 4/0.

2. Pledge of Allegiance
3. Roll Call
4. Declarations of conflict of interests
5. Update on closing of water purchase – Rod Mills

Rod Mills reported that an agreement between the credit union and Cedar Point Water Company had been struck and signed. He said that they were scheduled to close on October 24th at 1:00 pm. He said that the SSD's attorney would need to make sure there were no issues with the purchase document before that time. He said that if the attorney was not able to certify the document before Friday, October 19th, the closing would have to be delayed.

Mayor Moser reported that Gary Kuhlmann was busy working on the review of the documents.

Rod Mills said that he was working on getting as much funding as possible, but that due to the potential effects of a balanced budget amendment, there may be some potential issues with some of the funding.

6. Discussion and action on the annual operating budget for 2012 and 2013.

Motion made by Mayor Moser to adopt the tentative operating budget as discussed in the work meeting and to forward it to the Town Council for approval. Kevin Sair seconded the motion. Vote: Mayor Moser-yes, Kevin Sair-yes, Jack Davis-yes, Harold Merritt-yes. The motion passed 4/0.

7. Acquisitions – Harold Merritt

Nothing more to report.

8. Funding – Kevin Sair

Nothing more to report.

9. Operations – Neil Duncan

Mayor Moser said Bob Davis was in attendance to discuss the impact fee study.

Bob Davis distributed a handout on the impact fee study. (See attached.)

Bob Davis said the impact fee represented a partial ownership in the system. He said that he would only be discussing the culinary water impact fee. He said that they had come up with \$13,743 for the amount of the impact fee that can be charged for a new water user. He said that the board of the SSD was free to charge any amount up to the amount in the study.

Mayor Moser stated that the Cedar Point Water Company impact fee was around \$6,000 with the requirement to bring water rights. He said Apple Valley Water Company charged around

\$3,500 for a hookup and connection. He also said that Hurricane's impact fee was over \$27,000.

Jack Davis said they needed to establish a fair rate that would attract people and that didn't scare people away.

Mayor Moser recommended that the board not act on the issue now, but that the board members go home and do some research. He also said that an individual would end up paying the full impact fees when they built a house. A developer would usually strike a pioneering agreement with the Town and District based on what portion of the impact that would be alleviated due to their development.

Bob Davis added that the purpose of the impact fees was to put the cost of development and expansion on the new residents and not on the backs of the current residents that have already paid for their current impact.

Rod Mills said they needed to keep in mind that the budget that he had put together relied heavily on the collection on impact fees for new development.

Mayor Moser said when the Town of Apple Valley did the first study four years ago, the study said that they could charge up to \$28,000 for culinary water.

Harold Merritt said when he had first build his house he ended up paying about \$20,000 for water.

Motion made by Mayor Moser to table this item until next meeting. Kevin Sair seconded the motion. Vote: Mayor Moser-yes, Kevin Sair-yes, Jack Davis-yes, Harold Merritt-yes. The motion passed 4/0.

10. Resource Management – Mayor Moser

Mayor Moser reported that they had received a letter from Louie Ford stating that he had two water meters at one time and that the Apple Valley Water Company had removed one of those meters at some point in the past and they had never replaced it.

Rod Mills said they would do the best job they could at the time of closing to attempt to resolve that sort of issue.

Kevin Sair asked if it wouldn't be a good idea to add a notice to the trash bill asking for residents to come forward and notify the district if they had any issues with their current water connection.

Mayor Moser asked Nathan Bronemann to do so.

Rod Mills clarified that all existing lots that have infrastructure in front of them will be assessed a monthly standby fee. He said that removing a meter would not stop them from being charged a standby fee. He encouraged residents to not remove their meters on their vacant lots.

11. Development – Jack Davis

Nothing more to report.

12. Consent Calendar - Income and Expenses

Nothing to report.

Charlie Greco reported that there was a leaking pipe by the church campground.

13. Consider approval of minutes:

a. October 3, 2012 Regular Meeting Minutes

Motion made by Jack Davis to approve the October 3, 2012 regular meeting minutes as corrected. Kevin Sair seconded the motion. Vote: Mayor Moser-yes, Kevin Sair-yes, Jack Davis-yes, Harold Merritt-yes. The motion passed 4/0.

14. Request for a closed session

Motion made by Mayor Moser to hold an executive session to discuss the purchase of real property. Kevin Sair seconded the motion. Vote: Mayor Moser-yes, Kevin Sair-yes, Jack Davis-yes, Harold Merritt-yes. The motion passed 4/0.

15. Adjournment

Motion made by Mayor Moser to adjourn the meeting. Kevin Sair seconded the motion. Vote: Mayor Moser-yes, Kevin Sair-yes, Jack Davis-yes, Harold Merritt-yes. The motion passed 4/0.

Meeting adjourned at approximately 7:38 PM.

Date approved: _____

ATTEST BY: _____

Nathan Bronemann

Chairman Harold Merritt

BIG PLAINS WATER AND SEWER SPECIAL SERVICE DISTRICT

CULINARY WATER IMPACT FEE STUDY

Impact Fee Cost per ERC

IMPACT FEE SUMMARY			
DESCRIPTION		COST PER NEW ERC*	% OF TOTAL IMPACT FEE
A	SOURCE OF WATER - Capital Project Costs		
A-1	8 existing groundwater wells	\$ 904	6.58%
B	WATER RIGHTS - Capital Project Costs		
B-1	Existing water rights	\$ 822	5.98%
B-2	Water rights to bank		
C	RESERVOIR STORAGE - Capital Project Costs		
C-1	3 existing water storage reservoirs	\$ 2,801	20.38%
D	DISTRIBUTION SYSTEM - Capital Project Costs		
D-1	Apple Valley - 0% / Cedar Point - 65%	\$ 2,180	15.86%
TOTAL CAPITAL PROJECT COSTS		\$ 6,707	48.80%
E	OUTSTANDING LOANS		
E-1	Utah Drinking Water Board Loan / 0% - 30 yr.		
E-2	USDA Rural Dev. Loan / 3.75% - 40 yr.		
E-3	Interest expense (30 years)	\$ 3,658	26.62%
TOTAL INTEREST COSTS		\$ 3,658	26.62%
F	ADDITIONAL SERVICES		
F-1	Legal Services	\$ 63	0.46%
F-2	Engineering Services	\$ 1,966	14.31%
F-3	Miscellaneous Services + Contingency	\$ 1,350	9.81%
TOTAL ADDITIONAL SERVICES COSTS		\$ 3,378	24.58%
TOTAL COSTS		\$ 13,743	100.00%

*= Equivalent Residential Connection

Total Impact Fee Cost per New ERC

\$ 13,743